

At the Special Meeting of the Greenville County Water and Sewer Authority, held on Tuesday, August 12, 2014, at 2:00 p.m., in the Board Room of the Greenville County Government Building, 1781 Greenville County Circle, Emporia, Virginia.

Present: Michael W. Ferguson, Chairman  
Dr. Margaret T. Lee, Vice-Chairman  
James C. Vaughan  
Peggy R. Wiley

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The meeting was called to order by Chairman Ferguson.

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In Re: Approval of Agenda

Mr. Whittington, Director, stated that Staff recommended approval of the Agenda with no added items.

Mrs. Wiley moved, seconded by Dr. Lee, to approve the agenda as submitted. Voting aye: Dr. Lee, Mr. Vaughan, Mrs. Wiley and Chairman Ferguson.

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In Re: Proposed FY2015 Budget

Mr. Whittington stated that the budget session was held to discuss and review the proposed FY2015 Budget. He stated that the Authority had the supplemental information and other information to be reviewed. He then asked Mrs. Brenda Parson, Deputy County Administrator to review the budget.

Mrs. Parson stated that in the supplemental information, the Authority Board had an overview of all items included in the proposed FY2015 Budget. She stated that there was a summary of the revenues and expenditures, breakdown on all of the personnel costs by department, and rate changes on the Local Choice Health benefits, VRS and Group Life rates. She also stated that there was a rate comparison chart of water rates for the City of Emporia and the County of Greenville, along with a resolution for the Authority's consideration. Mrs. Parson stated that in the very back of the package was an individual breakdown of the capital projects listed by requests received from the different departments. She stated that today Staff would begin with the department heads reviewing each department line item, as was done in the past. She then stated that if the Authority had any questions as Staff went through the line items, the department heads would be glad to explain any increases requested or explain any changes in their budget.

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In Re: Administration

Mrs. Parson stated that included in the personnel costs was a 1.5 percent cost of living increase for all employees and a 2.5% merit increase when warranted. She stated that it was the same amount the County employees were given and would become effective October 1, 2014.

Mrs. Parson stated professional services-legal budget this year was \$2500 and the request for next year was \$4,000 due to the amount spent as of July 31, which was \$5,713. Mrs. Parson stated that \$4,500 was budgeted for miscellaneous fees for this year and \$6,000 was being requested for next year. She stated that the total requested budget for next year was \$409,213.

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In Re: Authority Board

Mrs. Parson stated that the total requested budget was \$25,215.

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In Re: Utility Maintenance

Mrs. Parson stated that Utility Maintenance had a part-time line item with a budgeted amount of \$9,000 and a request for holiday pay, when needed, in the amount of \$1,500 for next year. She stated that the \$7,000 was budgeted for this year under the reimbursement to the County from Water and Sewer for the Maintenance shop and \$7,300 was being requested for next year. She also stated that \$65,000 was budgeted for this year for chemicals and \$90,000 was being requested for next year. She further stated that a new line item for next year was safety equipment supplies and the request was \$1,000. She stated that in the past, it was accounted for under repair and maintenance supplies. Mrs. Parson then reviewed the capital outlay requests. She stated that the total requested budget for next year was \$776,227.

Supervisor Ferguson asked why there was a request for a part-time employee. Mr. Gary Mitchell stated it was for summer help. He also questioned the amount for the chemicals. Mr. Whittington stated that the additional \$25,000 was being charged to DOC. He further asked what amount of funding was budgeted for capital improvements. Mr. Whittington stated that Staff always tried to budget approximately \$200,000 a year. Mr. Whittington also stated that a recommendation to the Authority would be to consolidate all of the CIP requests into a bond issuance with VRA. He stated that VRA had agreed to do a two part series on the request that the County already had submitted and that this request would be Part-B, amortized over a three year period. He further stated that the down side of going that way would take away from some of the money that would be available for similar kinds of requests for the next three years. Mr. Whittington stated that it would test Staff's ability to look down the road a little to see what they needed as far as capital outlay since some capital outlay money was being converted into debt service. He also stated that in the fourth year funds would be available again once the debt

service was paid off.

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In Re: Water Purchase – Northampton County

Mrs. Parson stated that \$10,000 was budgeted for this year and \$19,000 was being requested for next year.

Supervisor Ferguson asked why there was such an increase in the request. Mr. Gibson stated that Northampton County announced that they would be going up on their rates 90%.

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In Re: Water Treatment – Jarratt

Mrs. Parson stated that \$80,115 was budgeted for this year in electrical services and \$103,662 was being requested for next year. She then reviewed the capital outlay requests. She also stated that the total budget for next year was \$706,500.

Supervisor Ferguson asked why there was such an increase in electrical services. Mr. Gibson stated that Staff was hoping to get electricity at the intake structure, which the Authority would be responsible for paying.

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In Re: Falling Run Sewage Treatment Plant

Mrs. Parson stated that \$1,200 was budgeted for this year and \$2,700 was requested for next year in repair and maintenance services. She stated that the total budgeted for next year was \$49,050.

Supervisor Ferguson asked why there was an increase in repair and maintenance services. Mr. Smith stated that it was to redo the chlorine equipment. He stated that there were two chlorine injectors and regulators that needed to be reworked instead of buying new ones and that amount would cover the cost of getting the equipment rebuilt.

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In Re: Three Creek Sewage Treatment Plant

Mrs. Parson stated that \$12,000 was budgeted for this year and \$37,000 was being requested for next year for repair and maintenance services. She stated that \$155,000 was budgeted for chemicals this year and \$100,000 was being requested for next year. She then reviewed the capital outlay requests. She further stated that the total budgeted request was for \$710,092.

Supervisor Ferguson asked why there was an increase in repair and maintenance services. Mr. Smith stated that Three Creek has not had a majority of the pumps rebuilt since the plant expanded. He stated the Authority was now at the point where all pumps needed upgrading and that two pumps would be re-built each year until all were done over the course of the next three years.

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In Re: Debt Service

Mrs. Parson stated that there were two new debt service payments budgeted for next year - a VRA 2015 Long Term Loan for 20 years and a Short Term Loan for three years. She stated that there were four projects included in the long term loan. She then reviewed some of the short term loan requests listed in the agenda package that totaled \$371,683.00. She further reviewed the items for the long term loan that amounted to \$1,746,969.

Mrs. Parson stated that the Authority had a balanced budget that included a 1% water and sewer rate increase.

Mrs. Little stated that at the next regularly scheduled Authority Meeting she would present to the Authority the proposed rate increase resolution and request authorization to advertise the proposed resolution for a public hearing.

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In Re: Adjournment

There being no further business, Mrs. Wiley moved, seconded by Dr. Lee, to adjourn the meeting. Voting aye: Dr. Lee, Mr. Vaughan, Mrs. Wiley and Chairman Ferguson.

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Michael W. Ferguson, Chairman